REDACTED VERSION

REGION 6 EXECUTIVE SUMMARY

TOPIC: Grants Mining District

DATE: August 11, 2014 CONTACT: Carl Edlund, Director

PURPOSE/ACTION NEEDED: Hot Issue - FYI

DEADLINE DATE: N/A

ISSUE

Legacy uranium mining and milling operations in the Grants Mining District of northwestern New Mexico have caused environmental impacts on a fairly large scale.

BACKGROUND:

From the mid-1950s to the 1990s operations at over 100 legacy uranium mines and several large uranium mills in the Grants Mining District contaminated soil and ground water with radiation and metals. An estimated 90-150 billion gallons of mine water pumped from the underground workings at these mines were discharged to arroyos and creeks and allowed to resaturate and contaminate the shallow alluvium and deeper bedrock aquifers. Private water wells have been contaminated, especially in the area of the Homestake NPL site. Surface water has been contaminated at the Jackpile Mine, located on Laguna Pueblo land. A multi-agency 5-Year Plan was developed in 2010 by Region 6 and other federal, state and tribal partners to promote and advance work needed to assess and mitigate environmental impacts from uranium mining and milling.

In a matter relevant to the Grants Mining District, settlement agreements were reached in the Tronox lawsuits against Anadarko in 2011 for Bankruptcy Trust (\$12 million) and 2014 for Fraudulent Conveyance (\$5.15 billion). Region 9 was a signatory to the lawsuits. Some amount of payment from the settlements is anticipated to fund cleanups of uranium mine sites on Navajo land as well as in the Grants Mining District that were operated by Kerr McGee, a predecessor to Anadarko. In the lawsuit, Region 9 identified 22 former Kerr McGee uranium mines located in the Ambrosia Lake sub-Mining District north of Grants. These mines are under Region 6 jurisdiction. Most of them are currently owned by Rio Algom and regulated under New Mexico's mine permitting and ground water discharge permitting programs. Many of the mines have had some reclamation performed.

CURRENT STATUS:

Region 6 is working with the New Mexico Environment Department (NMED) to characterize the nature and extent of ground water contamination in the San Mateo Creek (SMC) basin north of Grants for Enforcement and Site Assessment purposes. A field data collection program that includes sampling of monitoring wells, private wells and the Milan municipal supply wells will start in the fall of this year.

The Jackpile Mine has been placed on the NPL because of surface water contamination and EPA issued a special notice letter to Atlantic Richfield Company (ARCO) earlier this year to begin negotiations for ARCO to conduct a remedial investigation and feasibility study. Hecla

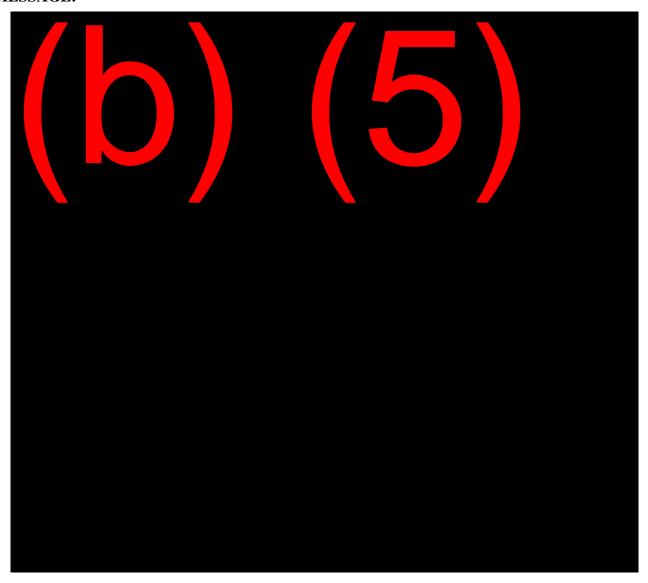


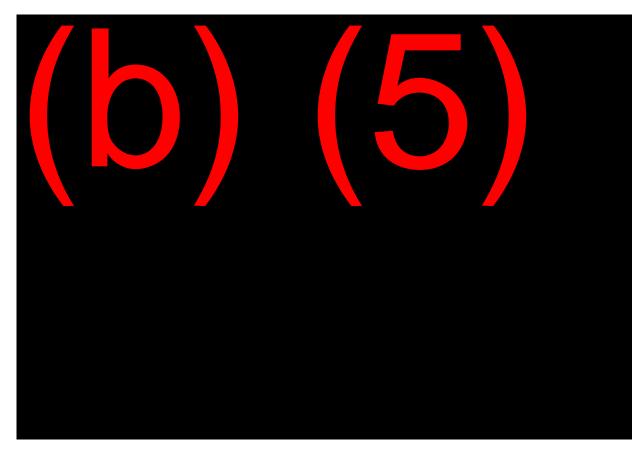
has completed a site investigation and is preparing to perform an engineering evaluation/cost analysis (EE/CA) at the Johnny M Mine under an AOC with EPA to mitigated contaminated soil. After completion and review of the EE/CA, Region 6 will enter into negotiations with Hecla to conduct a non-time critical removal action at the Site.

Region 9, Region 6 and New Mexico are coordinating activities to address the 22 uranium mines listed in the Tronox Settlements for the Ambrosia Lake sub-Mining District. They held several meetings and toured some of the mines in July 2014.

EPA has performed radiological assessments at nearly 900 residential properties and structures under its removal authority since 2009 at traditionally Hispanic villages, Laguna and Acoma Pueblos, the Mormon Farms area south of Homestake and in the village of Bluewater. Of these, 139 properties had excess gamma radiation associated with the re-use and/or repurposing of uranium mine related waste material; 129 of these have been cleaned up, two are in progress, and the remaining eight are targeted for cleanup.

MESSAGE:





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